## AMENDED IN ASSEMBLY APRIL 14, 2005

CALIFORNIA LEGISLATURE—2005-06 REGULAR SESSION

## ASSEMBLY BILL

No. 1606

## **Introduced by Assembly Member Salinas**

February 22, 2005

An act to relating to redevelopment.

## LEGISLATIVE COUNSEL'S DIGEST

AB 1606, as amended, Salinas. Redevelopment: military installations low-income housing.

The Community Redevelopment Law limits the effectiveness of every redevelopment plan adopted on or before December 31, 1993, to 40 years from the adoption of the redevelopment plan or January 1, 2009, whichever is later, after which the agency has no authority to act pursuant to the redevelopment plan except to pay previously incurred indebtedness, to comply with provisions governing compliance with an agency's affordable housing obligations, and to enforce existing covenants, contracts, or other obligations. After 10 years from the termination of the effectiveness of the redevelopment plan pursuant to that provision, a redevelopment agency may not pay indebtedness or receive tax increment revenues, except as specified.

This bill would authorize the City Council of the City of Watsonville or the Redevelopment Agency of the City of Watsonville, notwithstanding any other provision of law or the time limits described above and subject to the approval of the city council, to retain, until January 1, 2020, its ability to incur indebtedness exclusively for the purpose of managing and entering into a partnership with a housing sponsor or developer to provide affordable rental housing to single, low-income wage earners if specified conditions are met and would extend the ability of the agency to

**AB 1606** -2-

1

14 15

16 17

18 19

20

21

22

23 24

25

receive tax increment revenues to repay indebtedness incurred pursuant to these provisions until January 1, 2060.

The Community Redevelopment Law authorizes the legislative bodies for communities having territory within, adjacent to, or in proximity to a specified military facility or installation to create a joint powers agency to have and exclusively exercise the powers of a redevelopment agency in furtherance of the redevelopment of a project area approved by the joint powers agency.

This bill would state the Legislature's intent to enact legislation affecting the redevelopment of military installations.

Vote: majority. Appropriation: no. Fiscal committee: no-yes. State-mandated local program: no.

*The people of the State of California do enact as follows:* 

SECTION 1. It is the intent of the Legislature to enact legislation affecting the redevelopment of military installations.

2 3 SECTION 1. (a) Notwithstanding any other provision of law 4 or the time limits in paragraph (1) of subdivision (a) of Section 33333.6 and subject to the approval of the City Council of the 6 City of Watsonville, the City Council or the Redevelopment Agency of the City of Watsonville may retain, until January 1, 8 2020, its ability to incur indebtedness exclusively for the purpose of managing and entering into a partnership with a housing 10 sponsor or developer to provide affordable rental housing to single, low-income wage earners who are persons and families of 11 12 low or moderate income, as defined in Section 50093 of the 13 Health and Safety Code if either of the following conditions are

- (1) Eligibility for occupancy shall be based on an individual's income, provided that four eligible single individuals may constitute a household to occupy a two bedroom unit.
- (2) Eligibility for occupancy for a residential hotel shall be based on an individual's income, provided that two eligible individuals may constitute a household to occupy a single unit.
- (b) The ability of the agency to receive tax increment revenues to repay indebtedness incurred pursuant to this section may be extended until January 1, 2060. This section does not extend the effectiveness of the agency's redevelopment plan, except to incur additional indebtedness for the activities specified in this section,

-3- AB 1606

- 1 to pay previously incurred indebtedness, and to enforce existing covenants, contracts, or other obligations.
- 3 SEC. 2. Due to the unique circumstances of the City of
- 4 Watsonville with respect to affordable housing, the Legislature
- 5 hereby finds and declares that a general statute cannot be made
- 6 applicable within the meaning of Section 16 of Article IV of the
- 7 California Constitution. Therefore, the special legislation
- 8 contained in Section 1 of this act is necessarily applicable only to
- 9 the City of Watsonville.